

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|------------------------------|---|-----------------|
| PURCHASED WATER ADJUSTMENT |) | |
| OF EAST DAVIESS COUNTY WATER |) | CASE NO. 94-276 |
| ASSOCIATION, INC. |) | |

O R D E R

On August 2, 1994, East Daviess County Water Association, Inc. ("East Daviess") filed its application with the Public Service Commission ("Commission") for the purpose of adjusting its rates pursuant to the purchased water adjustment procedure. KRS 278.012; 807 KAR 5:068.

The Commission, having reviewed the evidence of record and being otherwise sufficiently advised, finds that:

1. East Daviess purchases water from two suppliers, Owensboro Municipal Utilities ("OMU") and Southeast Daviess County Water District ("Southeast Daviess").

2. Effective June 1, 1994, OMU increased its rates for wholesale water from \$1.05 per 1,000 gallons to \$1.093 per 1,000 gallons.

3. Effective July 1, 1994, Southeast Daviess increased its rates for wholesale water from \$1.27 per 1,000 gallons to \$1.32 per 1,000 gallons.

4. East Daviess proposed to increase the rates to its customers effective August 1, 1994.

5. During the 12 months ending June 30, 1994, East Daviess purchased 232,251,100 gallons of water and sold 200,008,842 gallons.

6. East Daviess' calculations are correct and show an increase in purchased water cost of \$10,379.04, resulting in a purchased water adjustment of 5 cents per 1,000 gallons. Based on an average monthly usage of 5,000 gallons, monthly bills to East Daviess' customers will increase 25 cents from \$17.40 to \$17.65, an increase of 1 percent.

7. The purchased water adjustment of 5 cents per 1,000 gallons and the rates in Appendix A are fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of 5 cents per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are approved for services rendered on and after August 1, 1994.

2. East Daviess' proposed tariff is approved.

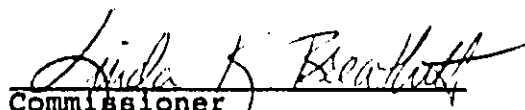
3. Within 30 days of the date of this Order, East Daviess shall file verification that the notice to its customers has been given.

Done at Frankfort, Kentucky, this 23rd day of August, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 94-276 DATED August 23, 1994

The following rates and charges are prescribed for the customers in the area served by East Daviess County Water Association, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Usage Block

Monthly Rates

5/8 x 3/4 Inch Meter

| | | |
|-------|----------------|------------------------|
| First | 2,000 gallons | \$ 9.31 Minimum Bill |
| Next | 4,000 gallons | 2.78 per 1,000 gallons |
| Next | 44,000 gallons | 2.53 per 1,000 gallons |
| Over | 50,000 gallons | 2.13 per 1,000 gallons |

3/4 Inch Meter

| | | |
|-------|----------------|------------------------|
| First | 3,000 gallons | \$12.09 Minimum Bill |
| Next | 3,000 gallons | 2.78 per 1,000 gallons |
| Next | 44,000 gallons | 2.53 per 1,000 gallons |
| Over | 50,000 gallons | 2.13 per 1,000 gallons |

1 Inch Meter

| | | |
|-------|----------------|------------------------|
| First | 6,000 gallons | \$20.43 Minimum Bill |
| Next | 44,000 gallons | 2.53 per 1,000 gallons |
| Over | 50,000 gallons | 2.13 per 1,000 gallons |

1-1/2 Inch Meter

| | | |
|-------|----------------|------------------------|
| First | 10,000 gallons | \$30.55 Minimum Bill |
| Next | 40,000 gallons | 2.53 per 1,000 gallons |
| Over | 50,000 gallons | 2.13 per 1,000 gallons |

2 Inch Meter

| | | |
|-------|----------------|------------------------|
| First | 20,000 gallons | \$55.85 Minimum Bill |
| Next | 30,000 gallons | 2.53 per 1,000 gallons |
| Over | 50,000 gallons | 2.13 per 1,000 gallons |

East Daviess County Water Association, Inc.
Formerly Served by Hancock County Public
Improvement Corporation

Usage Blocks

First 2,000 gallons
Next 2,000 gallons
Next 6,000 gallons
Over 10,000 gallons

Monthly Rates

\$17.30 Minimum Bill
5.40 per 1,000 gallons
2.66 per 1,000 gallons
2.66 per 1,000 gallons